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SUBJECT: CANADA: CONSERVATIVES SURVIVE ANOTHER CONFIDENCE VOTE

REF: A. OTTAWA 735 - B. OTTAWA 719

11. (SBU) Summary: The Conservative minority government of Prime Minister Stephen Harper on October 1 again survived a confidence vote in the House of Commons. The censure motion, introduced by the Official Opposition Liberal Party, was the first that the Conservatives had faced since they took office in February 2006, although they have won all other confidence votes (i.e. those on budgetary matters or bills that the government had explicitly designated a confidence measure). The opposition New Democratic Party (NDP) appears to have shifted its earlier brief strategy of voting with the Conservatives until passage of a new bill on unemployment insurance to abstaining on confidence votes, probably in face of unhappiness within the party in propping up the Conservatives. Poll numbers increasingly favor the Conservatives, but also indicate clearly that Canadian voters do not want another federal election any time soon. There will be at least two more confidence votes in coming weeks, however, so all parties must remain in virtual pre-campaign mode -- just in case. End summary

Surviving another day

- 12. (U) The House of Commons on October voted on October 1 to defeat a motion introduced by the Liberals "That this House has lost confidence in the government" by a vote of 144 against (Conservatives) to 117 in favor (Liberals and Bloc Quebecois). The NDP whip rose subsequently to explain that his party's MPs had abstained to demonstrate "sympathy with the unemployed, not support for the government." The NDP had already publicly pledged to work with the government to ensure passage of a bill to extend Employment Insurance, now in committee after two readings in the House. All three opposition parties would have needed to vote together to defeat the government.
- 13. (SBU) In the earlier debate that day in the full House, Liberal leader Michael Ignatieff chiefly focused on the government's economic record, and in particular growing deficits, as the reason for losing trust in the Conservatives and confidence in the government. Prime Minister Stephen Harper did not attend the debate, but was present for the daily Question Period and for the vote itself. The job of defending the government during the debate fell to Transport and Infrastructure Minister John Baird, who dared Ignatieff to find one Canadian who wants "an early and inopportune" election. In Question Period, the PM accused the Liberals of "flailing around" trying to engineer an election that "no-one wants on a topic no-one agrees with."

Liberals Disarray in Quebec

14. (U) Ignatieff's attempt to focus the debate on the Conservatives failed to move the media spotlight away from the federal Liberals' squabbling in Quebec, which broke into the open on September 28 with the abrupt resignation of MP Denis Coderre as the Liberals' Quebec lieutenant and its National Defence Critic (shadow minister). Coderre claimed in a press conference that he no longer had the "moral authority" to be his party's top organizer after Ignatieff

overruled his hand-picked candidate in a key nomination battle in Montreal. Coderre nonetheless insisted that his departure was not a challenge to Ignatieff and pledged his continued support for the leader, but instead pointed the finger at Ignatieff's inner circle from Toronto, who, he suggested, did not understand Quebec. Five Quebec organizers resigned along with Coderre.

15. (U) Ignatieff quickly said that he would not appoint a new Quebec lieutenant. He underscored in public comments that the Liberal Qlieutenant. He underscored in public comments that the Liberal Party now had 68 of 75 candidates for a future election already nominated in the province, for which he gave Coderre credit. He appeared at a Montreal fundraiser on September 29, and will address a convention of the Quebec wing of the party in Quebec City on October 3-4. Some Liberal MPs brushed off "l'affaire Coderre" as overblown; one Liberal MP noted that the publicity was "not particularly helpful, but not fatal," insisting that "it's not going to knock us off our game."

NDP Laying Campaign Groundwork?

16. (SBU) Despite its pledge to work with the government on EI, the NDP is increasingly positioning itself as the party trying to get results for Canada's unemployed, while the other parties only fight each other for partisan advantage and seek another expensive federal election. New NDP ads feature Layton with rolled-up sleeves, ready to "get to work." The NDP has also ramped up fundraising, with a new series of e-mail appeals.

What's next?

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¶7. (SBU) The Conservatives will remain dependent on the NDP's support or abstentions again on other upcoming confidence votes, including a budget implementation bill possibly as early as during the week of October 5. The Commons will also soon vote on a Ways and Means motion (by definition, a confidence vote) to impose an export charge on Canadian lumber companies under the Softwood Lumber Agreement, a deal that the NDP had adamantly opposed. Either the Bloc or the Liberals may be able to support this motion, however.

Polls Favor the Conservatives, against an election

- 18. (U) Almost three-quarters of respondents (72.6 pct) in a new Nanos poll were against a fall election, although 80.6 pct agreed or "somewhat" agreed that they "would like to see a party win a majority government in the next election." PM Harper ranked first (32.8 pct) as the leader best able to manage a minority government, followed by 23 pct for Ignatieff. Harper led Ignatieff by noticeable margins across the country, except in Quebec, where Quebecers ranked Ignatieff's skills highest at 29.7 pct, followed by the NDP's Jack Layton at 19.1 pct, and Harper at 18.1 pct. A separate new EKOS poll indicated that shifts in the polls since the threat of an election emerged in August had slowed and that the Conservatives' lead in the polls had begun to "gel" at 36 pct, while Liberal support had settled at 29.7 pct and NDP support at 13.9 pct. In the poll, the Liberals now lead only in the Atlantic provinces, although they remained in second place in Quebec (26. 4 pct to the Bloc's 39.6 pct). (The poll took place before the Coderre resignation.)
- 19. (SBU) Comment: The switch from voting for the government in the previous confidence vote (reftel) to mass abstentions likely reflects the dissatisfaction within NDP ranks of supporting the Conservatives, however much the rank-and-file may want the additional EI coverage. It also suggests that the NDP cannot afford to continue even this strategy for much longer, so its MPs will likely be agitating for the committee to conclude its review of the EI legislation quickly and bring the legislation for a final vote in the Commons. (The Liberal-controlled Senate will then have to vote.) The Conservatives arguably have a good reason to string out

the deliberations: to continue governing without another election — unless they have already decided that they really do want one to capture their stronger showing in the polls. The Liberals, on the other hand, must be concerned that their internal disunity could drive their Quebec voters into the arms of another party in the next election. One way or another, all parties must remain in virtual pre-campaign mode for the foreseeable future, and be sure that they are always ready in case the government does fall in any upcoming confidence vote.

JACOBSON